VZCZCXRO3932 PP RUEHCI DE RUEHKT #1061/01 3241153 ZNY CCCCC ZZH P 201153Z NOV 09 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC PRIORITY 1065 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 7204 RUEHLM/AMEMBASSY COLOMBO PRIORITY 7542 RUEHKA/AMEMBASSY DHAKA PRIORITY 2883 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 5583 RUEHLO/AMEMBASSY LONDON PRIORITY 6689 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 3341 RUEHCI/AMCONSUL KOLKATA PRIORITY 4846 RUEHGV/USMISSION GENEVA PRIORITY 2460 RUCNDT/USMISSION USUN NEW YORK PRIORITY 3733 RUEKJCS/SECDEF WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 001061

#### SIPDIS

E.O. 12958: DECL: 11/18/2019

TAGS: PGOV KDEM NP

SUBJECT: NEPAL: UML LEADER URGES HARDLINE AGAINST MAOISTS

Classified By: Charge d' Affaires, a.i., Randy W. Berry. Reasons 1.4 (b/d).

11. (C) Summary: The political deal between Maoist Chairman Prachanda and Nepali Congress leader Koirala, reached in Singapore, will collapse, according to UML senior leader K.P. Oli. Neither the Nepali Congress nor the UML will support it. Oli claimed that the Maoists are not serious about the peace process, and their ultimate goal remains "seizing power forcibly." End Summary.

## Prachanda-Koirala Deal Will Collapse

12. (C) Maoist Chairman Prachanda and Nepali Congress leader G.P. Koirala met in Singapore o/a November 15 and agreed to form a "high-level political mechanism" to break Nepal's political impasse, according to K.P. Oli (strictly protect), one of the senior leaders of the Communist Party of Nepal-Unified Marxist-Leninist (UML). Oli told P/E Chief on November 19 that Prachanda and Koirala hope the creation of the mechanism will lead to the formation of a new government as soon as next week. Despite the rumored Koirala-Prachanda accord, Oli said he believes the deal will fall through.

Koirala no longer controls the Nepali Congress (as he once did), and the UML membership will oppose the deal -- even if UML Chairman Jhala Nath Khanal supports it.

# Koirala Sick; Desperate to Help Daughter

13. (C) Oli said that Koirala is very sick and desperate to secure political power for his daughter, current DeputyPM and ForMin Sujata Koirala, before he dies. (Oli suggested Koirala has stage-three lung cancer.) Sujata Koirala's future, not national or party interests, is driving G.P. Koirala's dealings with the Maoists. According to Oli, Koirala's long illness has taken its toll; he is "no longer thinking clearly."

## Maoists Intentions Clear -- Seize Power

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14. (C) Considered a hard-liner on the peace process, Oli sharply criticized the Maoists and urged the United States to "maintain" its tough stance against the party. Oli said the Maoists are simply the latest (albeit more refined) global extremist movement, no different than Pol Pot or the Shining Path. They have learned to speak with a "silver tongue," but their agenda remains the same -- to "seize power forcibly." The Maoists are using the peace process for their own ends,

and have no intention of fulfilling their commitments.

15. (C) According to Oli, he tried for years to "moderate" the Maoists, meeting with them secretly in India throughout the conflict. As a fellow communist, Oli urged the Maoists to use "ideas, not weapons" in their struggle, but said he has given up. He admitted there are differences of opinion within the Maoist leadership, but as long as the Maoists have guns, the "pragmatists" will remain in lockstep with the hardline leaders.

## India Role Unclear

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16. (C) India's policy toward Nepal is in flux, according to Oli, who is rumored to be close to the Government of India (GOI). Some in New Delhi are sympathetic to the Maoists, and believe they need to be part of the coalition government; others are more "realistic" about Maoist intentions. Oli believes that "elements of the GOI" were present at the Koirala-Prachanda meeting in Singapore -- hinting at Indian intelligence -- although he did not have any details. (Note: Oli left for New Delhi on November 18, ostensibly for an Indian communist conference, but told P/E Chief he would also be meeting with "senior" GOI officials. End Note.)

#### UML Leader Khanal Weak

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17. (C) Oli also criticized his own party leader, Jhala Nath Khanal, calling him weak and indecisive. (Note: Oli lost a hard-fought battle for control of the UML at the February

KATHMANDU 00001061 002 OF 002

2009 party convention. End note.) The Maoists continue to "deceive" Khanal, who is easily persuaded to their "pro-poor, anti-feudal" rhetoric. Hinting that he was the real power in the party, Oli recounted the story of how Khanal wanted to support Baburam Bhattarai for chair of the Constitutional Committee, but that Oli instead promoted Nepali Congress member Nilamber Acharya (who won the election).

# Comment

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18. (C) Intelligent and articulate, Oli is one of the most strident anti-Maoist leaders in Nepal. We understand Oli remains influential in New Delhi, and his lobbying may be one reason India has become increasingly skeptical about Nepal's Maoists. While we do not disagree with his basic analysis about Maoist long-term goals (seizing power), Oli and his followers lack any proactive agenda for moving the peace process forward. We agree that pressure on the Maoists should intensify, but the UML and Nepali Congress must also demonstrate flexibility. Without Maoist engagement in the political process, it will be difficult to make progress on drafting the constitution and completing the peace process.